



0000156517

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

BOB STUMP - Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH

RECEIVED

AZ CORP COMMISSION  
DOCKET CONTROL

2014 OCT 7 PM 3 28

IN THE MATTER OF THE APPLICATION OF  
ABRA WATER COMPANY, AN ARIZONA  
CORPORATION, FOR A DETERMINATION  
OF THE CURRENT FAIR VALUE OF ITS  
UTILITY PLANT AND PROPERTY AND FOR  
INCREASES IN ITS RATES AND CHARGES  
FOR UTILITY SERVICE.

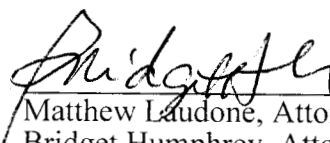
DOCKET NO. W-01782A-14-0084

STAFF'S NOTICE OF FILING FINAL  
SCHEDULES

ORIGINAL

Staff of the Arizona Corporation Commission ("Staff") hereby files the Final Schedules in the  
above matter.

RESPECTFULLY SUBMITTED this 7<sup>th</sup> day of October 2014.

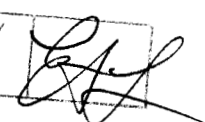
  
Matthew Laudone, Attorney  
Bridget Humphrey, Attorney  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007  
(602) 542-3402

Original and thirteen (13) copies  
of the foregoing filed this  
7<sup>th</sup> day of October 2014 with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Arizona Corporation Commission  
DOCKETED

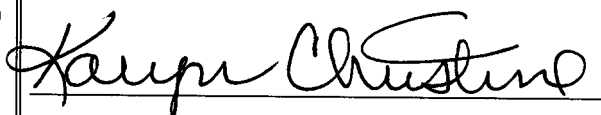
OCT 07 2014

DOCKETED BY 

1 Copy of the foregoing emailed/mailed this  
2 7<sup>th</sup> day of October 2014 to:

3 Robert J. Metli  
4 Munger Chadwick, PLC  
5 2398 East Camelback Road, Suite 240  
6 Phoenix, Arizona 85016  
7 [rjmetli@mungerchadwick.com](mailto:rjmetli@mungerchadwick.com)

8 Kevan Larson  
9 President/CEO  
10 Abra Water Company, Inc.  
11 Post Office Box 515  
12 Paulden, Arizona 86334  
13 [kevanlarson@cableone.net](mailto:kevanlarson@cableone.net)

14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  


**REVENUE REQUIREMENT**

LINE NO.	DESCRIPTION	[A] COMPANY ORIGINAL COST	[B] STAFF ORIGINAL COST
1	Adjusted Rate Base	\$ 570,570	\$ 461,824
2	Adjusted Operating Income (Loss)	\$ 16,436	\$ 35,730
3	Current Rate of Return (L2 / L1)	2.88%	7.74%
4	Required Rate of Return	8.85%	8.40% <sup>1</sup>
5	Required Operating Income (L4 * L1)	\$ 50,495 <sup>2</sup>	\$ 38,776
6	Operating Income Deficiency (L5 - L2)	\$ 34,059	\$ 3,046 <sup>3</sup>
7	Gross Revenue Conversion Factor	1.2732	1.2784
8	Increase (Decrease) in Gross Revenue (L7 * L6)	\$ 43,349	\$ 3,894
9	Adjusted Test Year Revenue	\$ 270,040	\$ 270,040
10	Proposed Annual Revenue (L8 + L9)	\$ 313,389	\$ 273,934
11	Required Increase/(Decrease in Revenue) (%) (L8/L9)	16.05%	1.44%

References:

Column [A]: Company Schedules A-1

Column [B]: Staff Schedules BCA-2, BCA-3, & BCA-12

Note:1 Due to other adjustments made to Staff 's Final Schedules an 8.40 % rate of return is is required to produce the current revenue level.

Note:2 Actual calculation results in \$50,495, but the Company requested \$50,482.

Note:3 Although no increase in rates is indicated, Staff recommends this increase to cover test year revenue for declining usage adjustment and small miscellaneous adjustment.

**GROSS REVENUE CONVERSION FACTOR**

LINE NO.	DESCRIPTION	(A)	(B)	(C)	(D)
----------	-------------	-----	-----	-----	-----

Calculation of Gross Revenue Conversion Factor:

1	Revenue	100.0000%			
2	Uncollectible Factor (Line 11)	0.3142%			
3	Revenues (L1 - L2)	99.6858%			
4	Combined Federal and State Income Tax and Property Tax Rate (Line 23)	21.4600%			
5	Subtotal (L3 - L4)	78.2258%			
6	<b>Revenue Conversion Factor (L1 / L5)</b>	<b>1.278350</b>			

Calculation of Uncollectible Factor:

7	Unity	100.0000%			
8	Combined Federal and State Tax Rate (Line 17)	20.5250%			
9	One Minus Combined Income Tax Rate (L7 - L8)	79.4750%			
10	Uncollectible Rate	0.3953%			
11	Uncollectible Factor (L9 * L10)	0.3142%			

Calculation of Effective Tax Rate:

12	Operating Income Before Taxes (Arizona Taxable Income)	100.0000%			
13	Arizona State Income Tax Rate	6.5000%			
14	Federal Taxable Income (L12 - L13)	93.5000%			
15	Applicable Federal Income Tax Rate (Line 53)	15.0000%			
16	Effective Federal Income Tax Rate (L14 x L15)	14.0250%			
17	Combined Federal and State Income Tax Rate (L13 + L16)		20.5250%		

Calculation of Effective Property Tax Factor

18	Unity	100.0000%			
19	Combined Federal and State Income Tax Rate (L17)	20.5250%			
20	One Minus Combined Income Tax Rate (L18-L19)	79.4750%			
21	Property Tax Factor	100.4807%			
22	Effective Property Tax Factor (L20*L21)		0.9350%		
23	Combined Federal and State Income Tax and Property Tax Rate (L17+L22)			21.4600%	

24	Required Operating Income	\$ 35,570			
25	Adjusted Test Year Operating Income (Loss)	35,730			
26	Required Increase in Operating Income (L24 - L25)		\$ (160)		
27	Income Taxes on Recommended Revenue (Col. [C], L52)	\$ 6,794			
28	Income Taxes on Test Year Revenue (Col. [A], L52)	6,007			
29	Required Increase in Revenue to Provide for Income Taxes (L27 - L28)		787		
30	Recommended Revenue Requirement	\$ 273,934			
31	Uncollectible Rate (Line 10)	0.3953%			
32	Uncollectible Expense on Recommended Revenue (L30*L31)	\$ 1,083			
33	Adjusted Test Year Uncollectible Expense	\$ 1,068			
34	Required Increase in Revenue to Provide for Uncollectible Exp. (L32-L33)		15		
35	Property Tax with Recommended Revenue	\$ 9,576			
36	Property Tax on Test Year Revenue	9,531			
37	Increase in Property Tax Due to Increase in Revenue (L35-L36)		46		
38	Total Required Increase in Revenue (L26 + L29 + L34 + L37)		\$ 688		

Calculation of Income Tax:

	Test Year		Staff Recommended
39	Revenue	\$ 270,040	\$ 273,934
40	Operating Expenses Excluding Income Taxes	\$ 228,303	\$ 228,364
41	Synchronized Interest (L56)	\$ 12,469	\$ 12,469
42	Arizona Taxable Income (L39 - L40 - L41)	\$ 29,267	\$ 33,100
43	Arizona State Income Tax Rate	6.5000%	6.5000%
44	Arizona Income Tax (L42 x L43)	\$ 1,902	\$ 2,152
45	Federal Taxable Income (L42 - L44)	\$ 27,366	\$ 30,950
46	Federal Tax on First Income Bracket (\$1 - \$50,000) @ 15%	\$ 4,105	\$ 4,642
47	Federal Tax on Second Income Bracket (\$51,001 - \$75,000) @ 25%	\$ -	\$ -
48	Federal Tax on Third Income Bracket (\$75,001 - \$100,000) @ 34%	\$ -	\$ -
49	Federal Tax on Fourth Income Bracket (\$100,001 - \$335,000) @ 39%	\$ -	\$ -
50	Federal Tax on Fifth Income Bracket (\$335,001 - \$10,000,000) @ 34%	\$ -	\$ -
51	Total Federal Income Tax	\$ 4,105	\$ 4,642
52	Combined Federal and State Income Tax (L44 + L51)	\$ 6,007	\$ 6,794

53 Applicable Federal Income Tax Rate [Col. [C], L51 - Col. [A], L51] / [Col. [C], L45 - Col. [A], L45] 15.0000%

Calculation of Interest Synchronization:

54	Rate Base	\$ 461,824			
55	Weighted Average Cost of Debt	2.7000%			
56	Synchronized Interest (L45 X L46)	\$ 12,469			
			\$ 232,337.00	232,383	

**RATE BASE - ORIGINAL COST**

LINE NO.	(A) COMPANY AS FILED	(B) STAFF ADJUSTMENTS	ADJ NO.	(C) STAFF AS ADJUSTED
1	Plant in Service	\$ 1,523,414	\$ (79,900)	1 \$ 1,443,514
2	Less: Accumulated Depreciation Reserve	659,371	(6,343)	2 653,028
3	Net Plant in Service	<u>\$ 864,043</u>	<u>\$ (73,557)</u>	<u>\$ 790,486</u>
<u>LESS:</u>				
4	Advances in Aid of Construction (AIAC)	\$ 196,858	\$ -	\$ 196,858
5	Contributions in Aid of Construction (CIAC)	\$ 359,028	\$ 6,795	3 \$ 365,823
6	Less: Accumulated Amortization	257,496	(5,760)	4 251,736
7	Net CIAC	<u>\$ 101,532</u>	<u>12,555</u>	<u>\$ 114,087</u>
8	Total Advances and Contributions	\$ 298,390	\$ 12,555	\$ 310,945
9	Meter Deposits	\$ 14,650	\$ -	\$ 14,650
10	Customer Security Deposits	\$ 3,067	\$ -	\$ 3,067
11	Accumulated Deferred Income Taxes	\$ -	\$ -	\$ -
<u>ADD: Working Capital</u>				
12	Cash Working Capital	\$ 22,634	\$ (22,634)	5 \$ -
13	Prepayments	\$ -	\$ -	\$ -
14	<b>Total Rate Base</b>	<u>\$ 570,570</u>	<u>\$ (108,746)</u>	<u>\$ 461,824</u>

References:

Column [A], Company Schedule B-1, Page 1  
Column [B]: Schedule BCA-4  
Column [C]: Column [A] + Column [B]

SUMMARY OF RATE BASE ADJUSTMENTS

LINE NO.	Acct. No.	PLANT IN SERVICE	[A]		[B]		[C]		[D]		[E]		[G]		STAFF AS ADJUSTED
			COMPANY AS FILED	Treatment Plant Water Ref: Sch BCA-5	Adj.No. 1 Ref: Sch BCA-5	Accumulated Depreciation Ref: Sch BCA-6	CIAC Ref: Sch BCA-7	Adj.No. 3 Ref: Sch BCA-8	Adj.No. 4 of CIAC Ref: Sch BCA-10	Working Capital Prepayments Ref: Sch BCA-10					
1															
2	301	Organization Cost	\$ 508	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	508
3	302	Franchises	787	-	-	-	-	-	-	-	-	-	-	-	787
4	303	Land and Land Rights	15,044	-	-	-	-	-	-	-	-	-	-	-	15,044
5	304	Structures and Improvements	72,787	-	-	-	-	-	-	-	-	-	-	-	72,787
6	307	Wells and Springs	67,868	-	-	-	-	-	-	-	-	-	-	-	67,868
7	309	Supply Mains	-	-	-	-	-	-	-	-	-	-	-	-	-
8	310	Power Generation Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
9	311	Electric Pumping Equipment	77,467	-	-	-	-	-	-	-	-	-	-	-	77,467
10	320	Water Treatment Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
11	320.1	Water Treatment Plant	145,002	(79,900)	-	-	-	-	-	-	-	-	-	-	65,102
12	320.2	Chemical Solution Feeders	4,654	-	-	-	-	-	-	-	-	-	-	-	4,654
13	320.3	Media for Arsenic Treatment	65,560	-	-	-	-	-	-	-	-	-	-	-	65,560
14	330	Distribution Reservoirs and Standpipes	-	-	-	-	-	-	-	-	-	-	-	-	-
15	330.1	Storage Tank	197,626	-	-	-	-	-	-	-	-	-	-	-	197,626
16	331	Transmission and Distribution Mains	659,578	-	-	-	-	-	-	-	-	-	-	-	659,578
17	333	Services	133,392	-	-	-	-	-	-	-	-	-	-	-	133,392
18	334	Meters and Meter Installations	40,035	-	-	-	-	-	-	-	-	-	-	-	40,035
19	335	Hydrants	-	-	-	-	-	-	-	-	-	-	-	-	-
20	336	Backflow Prevention Devices	-	-	-	-	-	-	-	-	-	-	-	-	-
21	339	Other Plant and Miscellaneous Equipment	9,890	-	-	-	-	-	-	-	-	-	-	-	9,890
22	340	Office Furniture and Equipment	278	-	-	-	-	-	-	-	-	-	-	-	278
23	340.1	Computers and Software	6,098	-	-	-	-	-	-	-	-	-	-	-	6,098
24	341	Transportation Equipment	20,280	-	-	-	-	-	-	-	-	-	-	-	20,280
25	343	Tools, Shop, and Garage Equipment	65	-	-	-	-	-	-	-	-	-	-	-	65
26	344	Laboratory Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
27	345	Power Operated Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
28	346	Communication Equipment	1,855	-	-	-	-	-	-	-	-	-	-	-	1,855
29	347	Miscellaneous Equipment	95	-	-	-	-	-	-	-	-	-	-	-	95
30	348	Other Tangible Equipment	4,545	-	-	-	-	-	-	-	-	-	-	-	4,545
31		Rounding	-	-	-	-	-	-	-	-	-	-	-	-	-
32		Total Plant in Service	\$ 1,523,414	\$ (79,900)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,443,514
33		Less: Accumulated Depreciation	\$ 659,371	\$ -	\$ (6,343)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 653,028
34		Net Plant in Service	\$ 864,043	\$ (79,900)	\$ 6,343	\$ 6,343	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 790,486
36		LESS:													
37		Advances in Aid of Construction (AIAC)	\$ 196,858	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	196,858
38			\$ -	-	-	-	-	-	-	-	-	-	-	-	-
40		Contributions in Aid of Construction (CIAC)	\$ 359,028	-	-	-	-	6,795	-	-	-	-	-	-	365,823
41		Less: Accumulated Amortization of CIAC	\$ 257,496	-	-	-	-	-	(5,760)	-	-	-	-	-	251,736
42		Net CIAC	\$ 101,532	\$ -	\$ -	\$ -	\$ -	\$ 6,795	\$ 5,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,087
43															
44		Total Advances and Net Contributions	\$ 298,390	\$ -	\$ -	\$ -	\$ -	\$ 6,795	\$ 5,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 310,945
45															
46		Customer Meter Deposits	\$ 14,650	-	-	-	-	-	-	-	-	-	-	-	14,650
47		Customer Security Deposits	\$ 3,067	-	-	-	-	-	-	-	-	-	-	-	3,067
48		Accumulated Deferred Taxes	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
49			\$ -	-	-	-	-	-	-	-	-	-	-	-	-
50		ADD: Working Capital	\$ -	-	-	-	-	-	-	-	-	-	-	-	-
51		Cash Working Capital	\$ 22,634	-	-	-	-	-	-	-	-	-	(22,634)	\$ -	-
52			\$ -	-	-	-	-	-	-	-	-	-	-	-	-
53		Total Rate Base	\$ 570,570	\$ (79,900)	\$ 6,343	\$ 6,343	\$ -	\$ (6,795)	\$ (5,760)	\$ -	\$ -	\$ (22,634)	\$ -	\$ -	\$ 461,824

**RATE BASE ADJUSTMENT NO. 1 - WATER TREATMENT PLANT**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
	Water Treatment Plant	\$ 145,002	(79,900)	65,102

References:

Column A: Company Schedule B-2  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-6

**RATE BASE ADJUSTMENT NO. 2 - ACCUMULATED DEPRECIATION**

LINE NO.	DESCRIPTION	[A]		[B]		[C]	
		COMPANY AS FILED		STAFF ADJUSTMENTS		STAFF AS ADJUSTED	
1	Accumulated Depreciation	\$	659,371	\$	(6,343)	\$	653,028
2							
3							
4							
5	Computation:						
6							
7							
8	Water Treatment Plant	\$	25,855	\$	(6,651)	\$	19,204
9	Arsenic Media	\$	30,802	\$	308	\$	31,110
10							
11		\$	56,657	\$	(6,343)	\$	50,314

References:

Column A: Company Schedule C-1  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]



**RATE BASE ADJUSTMENT NO. 3 -CONTRIBUTIONS IN AID OF CONSTRUCTION ("CIAC")**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
1	Gross CIAC	\$ 359,028	\$ 6,795	\$ 365,823
2				
3				
4				
5	12/31/2009 Ending CIAC Balance			\$ 320,237
6	2010 Net CIAC Additions	2010		7,309
7	2011 Net CIAC Additions	2011		24,529
8	2012 Net CIAC Additions	2012		13,748
9				<u>\$ 365,823</u>

References:

Column A: Company's Schedule B-2

Column B: Testimony, Brendan Aladi

Column C: Column [A] + Column [B]

**RATE BASE ADJUSTMENT NO. 4 - AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION ("CIAC")**

		[A]	[B]	[C]	
LINE NO.	DESCRIPTION	COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED	
1	Amortization of CIAC	\$ 257,496	(5,760)	\$ 251,736	-5496
2					
3					
4					
5	CALCULATION OF AMORTIZATION OF CIAC				
6					
7	AIAC Transferred to CIAC		CIAC Additions		Amortization of CIAC
8	12/31/2009 Ending CIAC Amort. Balance				\$200,895
9	2010 Net CIAC Additions	\$	7,309		\$16,102
10	2011 Net CIAC Additions	\$	24,529		\$16,894
12	2012 Net CIAC Additions	\$	13,748		\$17,845
13		\$	45,586		\$251,736

\* Half year convention

References:

Column A: Company Schedule B-2  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-9

**RATE BASE ADJUSTMENT NO. 5 - WORKING CAPITAL**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		PER COMPANY	ADJUSTMENT	PER STAFF
	Cash Working Capital	\$ 22,634	\$ (22,634)	\$ -

References:

Column A: Company Schedule B-2  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]

**OPERATING INCOME - TEST YEAR AND STAFF RECOMMENDED**

LINE NO.	DESCRIPTION	[A] COMPANY TEST YEAR AS FILED	[B] STAFF TEST YEAR ADJUSTMENTS	[C] STAFF TEST YEAR AS ADJUSTED	[D] STAFF PROPOSED CHANGES	[E] STAFF RECOMMENDED
<b>REVENUES:</b>						
1	Metered Water Sales	\$ 262,282	\$ -	\$ 262,282	\$ 3,894	\$ 266,176
2	Water Sales - Unmetered	-	-	-	-	-
3	Other Operating Revenues	7,758	-	7,758	-	7,758
4	<b>Total Revenues</b>	<u>\$ 270,040</u>	<u>\$ -</u>	<u>\$ 270,040</u>	<u>\$ 3,894</u>	<u>\$ 273,934</u>
5						
6	<b>EXPENSES:</b>					
7	Salaries and Wages	\$ -	\$ -	\$ -	\$ -	\$ -
8	Employee Pensions & Benefits	-	-	-	-	-
9	Purchased Power	17,285	-	17,285	-	17,285
10	Fuel for Power Production	-	-	-	-	-
11	Chemicals	191	-	191	-	191
12	Materials & Supplies	5,588	-	5,588	-	5,588
13	Office Supplies & Expense	10,243	-	10,243	-	10,243
14	Outside Services	107,983	(1,880)	106,103	-	106,103
18	Water Testing	6,123	(2,805)	3,318	-	3,318
19	Rents	10,307	(779)	9,528	-	9,528
20	Transportation Expenses	7,017	-	7,017	-	7,017
21	Insurance - General Liability	3,926	(447)	3,479	-	3,479
22	Insurance - Health and Life	2,988	(2,988)	-	-	-
23	Reg. Comm. Exp.	-	-	-	-	-
24	Reg. Comm. Exp. - Rate Case	11,667	(2,917)	8,750	-	8,750
25	Miscellaneous Expense	-	-	-	-	-
26	Bad Debt Expense	9,367	(8,299)	1,068	15	1,083
27	Depreciation Expense	51,585	(5,383)	46,202	-	46,202
28	Taxes Other Than Income	554	(554)	-	-	-
29	Property Taxes	9,714	(183)	9,531	46	9,577
30	Income Taxes	(930)	6,937	6,007	787	6,794
31	Not Used	-	-	-	-	-
32	To Reconcile To Company's Application	(4)	4	-	-	-
33	<b>Total Operating Expenses</b>	<u>\$ 253,604</u>	<u>\$ (19,294)</u>	<u>\$ 234,310</u>	<u>\$ 848</u>	<u>\$ 235,158</u>
34						
35	<b>Operating Income (Loss)</b>	<u>\$ 16,436</u>	<u>\$ 19,294</u>	<u>\$ 35,730</u>	<u>\$ 3,046</u>	<u>\$ 38,776</u>

Note: 4 Staff continues to recommend that this expenses not be included in rates due to the closely held nature of the Company and the inability to restrict use of the proceeds from the policy in a meaningful way.

References:

Column (A): Company Schedule C-1  
Column (B): Schedule BCA-12  
Column (C): Column (A) + Column (B)  
Column (D): Schedules BCA-1 and BCA-2  
Column (E): Column (C) + Column (D)

SUMMARY OF OPERATING INCOME ADJUSTMENTS - TEST YEAR

LINE NO.	DESCRIPTION	[A] COMPANY AS FILED	[C] ADJ #1 Outside Services Expense Ref: Sch BCA-13	[F] ADJ #2 Contractual Services Water Testing Ref: Sch BCA-14	[D] ADJ #3 Rent Expense Ref: Sch BCA-15	[E] ADJ #4 General Liability Insurance Ref: Sch BCA-16	[F] ADJ #5 Health & Life Insurance Expense Ref: Sch BCA-17	[G] ADJ #6 Rate Case Expense Ref: Sch BCA-18	[H] Subtotal
1	Metered Water Sales	\$ 262,282	-	-	-	-	-	-	262,282
2	Water Sales - Unmetered	-	-	-	-	-	-	-	-
3	Other Operating Revenues	7,758	-	-	-	-	-	-	7,758
4	<b>Total Revenues</b>	<b>\$ 270,040</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 270,040</b>
5	<b>OPERATING EXPENSES:</b>								
6	Salaries and Wages	\$ -	-	-	-	-	-	-	-
7	Purchased Water	-	-	-	-	-	-	-	-
8	Purchased Power	17,285	-	-	-	-	-	-	17,285
9	Fuel for Power Production	-	-	-	-	-	-	-	-
10	Chemicals	191	-	-	-	-	-	-	191
11	Materials & Supplies	5,588	-	-	-	-	-	-	5,588
12	Office Supplies & Expense	10,243	-	-	-	-	-	-	10,243
13	Outside Services	107,983	(1,880)	-	-	-	-	-	106,103
14	Water Testing	6,123	-	(2,805)	-	-	-	-	3,318
15	Rents	10,307	-	-	(779)	-	-	-	9,528
16	Transportation Expenses	7,017	-	-	-	-	-	-	7,017
17	Insurance - General Liability	3,926	-	-	(447)	-	-	-	3,479
18	Insurance - Health and Life	2,988	-	-	-	(2,988)	-	-	-
19	Reg. Comm. Exp.	-	-	-	-	-	-	-	-
20	Reg. Comm. Exp. - Rate Case	11,667	-	-	-	-	(2,917)	-	8,750
21	Miscellaneous Expense	-	-	-	-	-	-	-	-
22	Bad Debt Expense	9,367	-	-	-	-	-	-	9,367
23	Depreciation Expense	51,585	-	-	-	-	-	-	51,585
24	Taxes Other Than Income	554	-	-	-	-	-	-	554
25	Property Taxes	9,714	-	-	-	-	-	-	9,714
26	Income Taxes	(930)	-	-	-	-	-	-	(930)
27	Not Used	-	-	-	-	-	-	-	-
28	To Reconcile To Company's Application	4	-	-	-	-	-	-	4
29	<b>Total Operating Expenses</b>	<b>\$ 253,612</b>	<b>\$ (1,880)</b>	<b>\$ (2,805)</b>	<b>\$ (779)</b>	<b>\$ (447)</b>	<b>\$ (2,988)</b>	<b>\$ (2,917)</b>	<b>\$ 241,796</b>
30	<b>Operating Income (Loss)</b>	<b>\$ 16,428</b>	<b>\$ 1,880</b>	<b>\$ 2,805</b>	<b>\$ 779</b>	<b>\$ 447</b>	<b>\$ 2,988</b>	<b>\$ 2,917</b>	<b>\$ 28,244</b>

SUMMARY OF OPERATING INCOME ADJUSTMENT NO. 1 - TEST YEAR CONTINUED

LINE NO.	DESCRIPTION	[I] ADJ #7 Bad Debt Expense Ref: Sch BCA-20	[J] ADJ #8 Depreciation Expense Ref: Sch BCA-21	[K] ADJ #9 Taxes Other Than Income Ref: Sch BCA-22	[L] ADJ #10 Property Tax Expense Ref: Sch BCA-23	[M] ADJ #11 Income Tax Expense Ref: Sch BCA-24	[N] STAFF ADJUSTED
1	REVENUES:						
2	Metered Water Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	Water Sales - Unmetered	-	-	-	-	-	-
4	Other Operating Revenues	-	-	-	-	-	-
5	Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 262,282
6	OPERATING EXPENSES:						
7	Salaries and Wages	-	-	-	-	-	-
8	Purchased Water	-	-	-	-	-	-
9	Purchased Power	-	-	-	-	-	17,285
10	Fuel for Power Production	-	-	-	-	-	-
11	Chemicals	-	-	-	-	-	191
12	Materials & Supplies	-	-	-	-	-	5,588
13	Office Supplies & Expense	-	-	-	-	-	10,243
14	Outside Services	-	-	-	-	-	106,103
15	Water Testing	-	-	-	-	-	3,318
16	Rents	-	-	-	-	-	9,528
17	Transportation Expenses	-	-	-	-	-	7,017
18	Insurance - General Liability	-	-	-	-	-	3,479
19	Insurance - Health and Life	-	-	-	-	-	-
20	Reg. Comm. Exp.	-	-	-	-	-	-
21	Reg. Comm. Exp. - Rate Case	-	-	-	-	-	8,750
22	Miscellaneous Expense	-	-	-	-	-	-
23	Bad Debt Expense	(8,299)	-	-	-	-	1,068
24	Depreciation Expense	-	(5,383)	-	-	-	46,202
25	Taxes Other Than Income	-	-	(554)	-	-	-
26	Property Taxes	-	-	-	(183)	-	9,531
27	Income Taxes	-	-	-	-	6,937	6,007
28	Not Used	-	-	-	-	-	-
29	To Reconcile To Company's Application	-	-	-	-	-	4
30	Total Operating Expenses	\$ (8,299)	\$ (5,383)	\$ (554)	\$ (183)	\$ 6,937	\$ 234,314
31	Operating Income (Loss)	\$ 8,299	\$ 5,383	\$ 554	\$ 183	\$ (6,937)	\$ 35,729

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-12

**OPERATING INCOME ADJUSTMENT NO. 1 - OUTSIDE SERVICES EXPENSE**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
	Outside Services	\$ 107,983	\$ (1,880)	\$ 106,103

References:

Column A: Company Schedule C-1  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-13

**OPERATING INCOME ADJUSTMENT NO. 2 - CONTRACT SRVCS., WATER TESTING EXPENSE**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
	Contractual Services - Water Testing	\$ 6,123	\$ (2,805)	\$ 3,318

References:

Column A: Company Schedule C-1  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]



Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-14

**OPERATING INCOME ADJUSTMENT NO. 3 - RENTS EXPENSE**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
	Rents Expense	\$ 10,307	\$ (779)	\$ 9,528

Rents Expense		
2012 Land Lease Expense	\$ 2,554	BCA 3.2
Equipment Rental Expense	\$ 374	BCA 2.8
Office Rent Expense	\$ 6,600	BCA 3.2
Staff's Adjusted	<u>9,528</u>	

References:

Column A: Company Schedule C-1 & E-2  
Column B: Testimony, Brendan Aladi; Data Request BCA 3.2  
Column C: Column [A] + Column [B]

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-15

**OPERATING INCOME ADJUSTMENT NO. 4 - GENERAL LIABILITY INSURANCE EXPENSE**

LINE NO.	DESCRIPTION	[A]			[B]		[C]	
		COMPANY AS FILED			STAFF ADJUSTMENTS		STAFF AS ADJUSTED	
	General Liability Insurance Expense	\$	3,926	\$	(447)	\$		3,479

References:

Column A: Company Schedule C-1  
Column B: Testimony, Brendan Aladi; Date Request BCA-2.10  
Column C: Column [A] + Column [B]

**OPERATING INCOME ADJUSTMENT NO. 5 - HEALTH AND LIFE INSURANCE EXPENSE**

LINE NO.	DESCRIPTION	[C]		
		[A]	[B]	[C]
		COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
	Health and Life Insurance Expense	\$ 2,988	\$ (2,988)	\$ -

References:

Column A: Company Schedule C-1  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]

**OPERATING INCOME ADJUSTMENT NO. 6 - RATE CASE EXPENSE**

LINE NO.	DESCRIPTION	[A]	[B]	[C]
		COMPANY AS FILED	STAFF ADJUSTMENTS	STAFF AS ADJUSTED
	Rate Case Expense	\$ 11,667	\$ (2,917)	\$ 8,750

	Per Company	Difference	Per Staff
	\$ 35,000		\$ 35,000
Divided by	3		4
	\$ 11,667		\$ 8,750

References:

Column A: Company Schedule C-1  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]

Post-Hearing Schedule BCA-18

	[A]	[B]	[C]
LINE NO.	DESCRIPTION	COMPANY AS FILED	STAFF ADJUSTMENTS (Col C - Col A) STAFF AS ADJUSTED
1	Bad Debt Expense	\$ 9,367	\$ (8,299) \$ 1,068
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

			Bad Debt Expense Write-off
	Year		
	2003	\$	0.25
	2004	\$	217.33
	2005	\$	810.02
	2006	\$	1,369.37
	2007	\$	756.88
	2008	\$	1,602.45
	2009	\$	1,238.56
	2010	\$	1,567.24
	2011	\$	2,045.66
	Total	\$	9,607.76
	Divided by	9	Years
	= \$		1,068

\$	270,040	Test Year Revenue
	0.3953%	Average write-off rate

Column A: Company Schedule C-2

Column B: Testimony, Brendan Aladi; Company Data Request Responses to BCA 2.13

Column C: Column [A] + Column [B]

OPERATING INCOME ADJUSTMENT NO. 8 - DEPRECIATION EXPENSE ON TEST YEAR PLANT

LINE NO.	DESCRIPTION	[A] PLANT In SERVICE Per Staff	[B] NonDepreciable or Fully Depreciated PLANT	[C] DEPRECIABLE PLANT (Col A - Col B)	[D] DEPRECIATION RATE	[E] DEPRECIATION EXPENSE (Col C x Col D)
1	301 Organization Cost	\$ 508	\$ 508	-	0.00%	\$ -
2	302 Franchises	787	787	-	0.00%	-
3	303 Land and Land Rights	15,044	15,044	-	0.00%	-
4	304 Structures and Improvements	72,787	-	72,787	3.33%	2,424
5	306 Lake, River, and Other Intakes	-	-	-	2.50%	-
6	307 Wells and Springs	67,868	-	67,868	3.33%	2,260
7	309 Supply Mains	-	-	-	2.00%	-
8	310 Power Generation Equipment	-	-	-	5.00%	-
9	311 Pumping Equipment	77,467	18,083	59,384	12.50%	7,423
10	320.1 Water Treatment Plant	65,102	-	65,102	3.33%	2,168
11	320.2 Chemical Solution Feeders	4,654	1,794	2,860	20.00%	572
12	320.3 Media for Arsenic Treatment	65,560	-	65,560	33.33%	21,853
13	330 Distribution Reservoirs and Standpipes	-	-	-	-	-
14	330.1 Storage Tanks	197,626	-	197,626	2.22%	4,387
15	331 Transmission and Distribution Mains	659,578	-	659,578	2.00%	13,192
16	333 Services	133,392	-	133,392	3.33%	4,442
17	334 Meters and Meter Installations	40,035	-	40,035	8.33%	3,335
18	335 Hydrants	-	-	-	2.00%	-
19	336 Backflow Prevention Devices	-	-	-	6.67%	-
20	339 Other Plant and Miscellaneous Equipment	9,890	-	9,890	6.67%	660
21	340 Office Furniture and Equipment	278	-	278	6.67%	19
22	340.1 Computers and Software	6,098	6,098	-	20.00%	-
23	341 Transportation Equipment	20,280	20,280	-	20.00%	-
24	343 Tools, Shop, and Garage Equipment	65	65	-	5.00%	-
25	344 Laboratory Equipment	-	-	-	10.00%	-
26	345 Power Operated Equipment	-	-	-	5.00%	-
27	346 Communication Equipment	1,855	-	1,855	10.00%	186
28	347 Miscellaneous Equipment	95	-	95	10.00%	10
29	348 Other Tangible Equipment	4,545	4,545	-	10.00%	-
30	Total Plant	\$ 1,443,514	\$ 67,204	\$ 1,376,310		\$ 62,929
31						
32						
33						
34	Composite Depreciation Rate (Depr Exp / Depreciable Plant):	4.57%				
35	CIAC: \$	365,823				
36	Amortization of CIAC (Line 34 x Line 35): \$	16,726				
37						
38	Depreciation Expense Before Amortization of CIAC: \$	62,929				
39	Less Amortization of CIAC: \$	16,726				
40	Test Year Depreciation Expense - Staff: \$	46,202				
41	Depreciation Expense - Company:	51,585				
42	Staff's Total Adjustment: \$	(5,383)				

Note:5 This reflects the use of a 2.2% depreciation rates rather than a 5% depreciation rate.

References:

Column [A]: Schedule BCA-4  
Column [B]: From Column [A]  
Column [C]: Column [A] - Column [B]  
Column [D]: Engineering Staff Report  
Column [E]: Column [C] x Column [D]

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-20

**OPERATING INCOME ADJUSTMENT NO. 9 - TAXES OTHER THAN INCOME**

LINE NO.	DESCRIPTION	[A]		[B]		[C]	
		COMPANY AS FILED		STAFF ADJUSTMENTS		STAFF AS ADJUSTED	
	Taxes Other Than Income	\$	554	\$	(554)	\$	-

References:

Column A: Company Schedule C-1  
Column B: Testimony, Brendan Aladi  
Column C: Column [A] + Column [B]

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-21

**OPERATING INCOME ADJUSTMENT NO. 10 - PROPERTY TAX EXPENSE**

LINE NO.	Property Tax Calculation	[A] STAFF AS ADJUSTED	[B] STAFF RECOMMENDED
1	Staff Adjusted Test Year Revenues	\$ 270,040	\$ 270,040
2	Weight Factor	2	2
3	Subtotal (Line 1 * Line 2)	540,080	\$ 540,080
4	Staff Recommended Revenue, Per Schedule BCA-1	270,040	\$ 273,934
5	Subtotal (Line 4 + Line 5)	810,120	814,014
6	Number of Years	3	3
7	Three Year Average (Line 5 / Line 6)	270,040	\$ 271,338
8	Department of Revenue Multiplier	2	2
9	Revenue Base Value (Line 7 * Line 8)	540,080	\$ 542,676
10	Plus: 10% of CWIP -	-	-
11	Less: Net Book Value of Licensed Vehicles	-	\$ -
12	Full Cash Value (Line 9 + Line 10 - Line 11)	540,080	\$ 542,676
13	Assessment Ratio	19.0%	19.0%
14	Assessment Value (Line 12 * Line 13)	102,615	\$ 103,108
15	Composite Property Tax Rate	9.2877%	9.2877%
16	Staff Test Year Adjusted Property Tax (Line 14 * Line 15)	\$ 9,531	\$ -
17	Company Proposed Property Tax	9,714	
18	Staff Test Year Adjustment (Line 16-Line 17)	\$ (183)	
19	Property Tax - Staff Recommended Revenue (Line 14 * Line 15)		\$ 9,576
20	Staff Test Year Adjusted Property Tax Expense (Line 16)		\$ 9,531
21	Increase in Property Tax Expense Due to Increase in Revenue Requirement		\$ 46
22	Increase to Property Tax Expense		\$ 46
23	Increase in Revenue Requirement		3,894
24	Increase to Property Tax per Dollar Increase in Revenue (Line 19/Line 20)		100%



OPERATING INCOME ADJUSTMENT NO. 11 - TEST YEAR INCOME TAXES

LINE NO.	DESCRIPTION	(A)	(B)
<u>Calculation of Income Tax:</u>		Test Year	
1	Revenue	\$ 270,040	
2	Less: Operating Expenses - Excluding Income Taxes	\$ 228,302	
3	Less: Synchronized Interest (L17)	\$ 12,469	
4	Arizona Taxable Income (L1- L2 - L3)	\$ 29,268	
5	Arizona State Income Tax Rate	6.500%	
6	Arizona Income Tax (L4 x L5)		\$ 1,902
7	Federal Taxable Income (L4 - L6)	\$ 27,366	
8	Federal Tax on First Income Bracket (\$1 - \$50,000) @ 15%	\$ 4,105	
9	Federal Tax on Second Income Bracket (\$51,001 - \$75,000) @ 25%	\$ -	
10	Federal Tax on Third Income Bracket (\$75,001 - \$100,000) @ 34%	\$ -	
11	Federal Tax on Fourth Income Bracket (\$100,001 - \$335,000) @ 39%	\$ -	
12	Federal Tax on Fifth Income Bracket (\$335,001 - \$10,000,000) @ 34%	\$ -	
13	Total Federal Income Tax		\$ 4,105
14	Combined Federal and State Income Tax (L6 + L13)		<u>\$ 6,007</u>
<u>Calculation of Interest Synchronization:</u>			
15	Rate Base	\$ 461,824	
16	Weighted Average Cost of Debt	2.70%	
17	Synchronized Interest (L16 x L17)	<u>\$ 12,469</u>	
18	Income Tax - Per Staff	\$ 6,007	
19	Income Tax - Per Company	\$ (930)	
20	Staff Adjustment	\$ 6,937	

**CASH FLOW ANALYSIS**

Line No.		Staff Recommended Revenues and Expenses
1	<b>INCOME STATEMENT</b>	
2		
3	<b>Operating Revenue</b>	
4	Metered Water Revenue	\$ 266,176
5	Unmetered Water Revenues	\$ -
6	Other Water Revenues	\$ 7,758
7	<b>Total Operating Rev:</b>	<u>\$ 273,934</u>
8		
9	<b>Operating Expenses</b>	
10	601 Salaries and Wages	\$ -
11	610 Purchased Water	\$ -
12	615 Purchased Power	\$ 17,285
13	618 Chemicals	\$ 191
14	620 Materials and Supplies	\$ 5,588
15	620 Repairs and Maintenance	\$ -
15	621 Office Supplies & Expense	\$ 10,243
16	630 Contractual Services	\$ 106,103
17	635 Water Testing	\$ 3,318
18	641 Rents	\$ 9,528
19	650 Transportation Expenses	\$ 7,017
20	657 Insurance - General Liability	\$ 3,479
21	659 Insurance - Health and Life	\$ -
22	666 Regulatory Comm Exp - Rate Case	\$ 8,750
23	675 Miscellaneous Expense	\$ -
24	670 Bad Debt Expense	\$ 1,083
25	403 Depreciation Expense	\$ 46,202
26	408 Taxes Other Than Income	\$ -
27	408.11 Property Taxes	\$ 9,577
28	409 Income Tax	\$ 6,794
29	Not Used	\$ -
30	<b>Total Operating Expense</b>	<u>\$ 235,159</u>
31		
32	<b>Operating Income</b>	\$ 38,779
33		
34	Interest Income	\$ -
35	Interest Expense on Long-term debt	\$ 17,926
36	<b>Total Other Interest Expense</b>	<u>\$ (17,926)</u>
37		
38	<b>Net Income</b>	\$ 20,853
39		
40	<b>Rate Base</b>	\$ 461,824
41		
42	<b>Rate of Return (Line 32 / Line 40)</b>	8.40%
43		
44	<b>Operating Margin (Line 30 / Line 7)</b>	14.16%
45		
46	<b>Principal Repayment</b>	\$ 34,396
47		
48	<b>AIAC and Customers deposit (Refunds)</b>	\$ 10,360
49		
50	<b>Cash Flow (L 32 + L25 - L44 -L45)</b>	\$ 22,299
51		
52	<b>TIER</b>	
53	Before Tax: [L 28 + L 32] ÷ L 35	2.54
54	After Tax: L32 ÷ L 35	2.16
55	<b>DSC</b>	
56	Before Tax: [L 25 + L28+ L 32] ÷ [L 35 + L 46]	1.75
57	After Tax : [L 25 + L 32] ÷ [L 35 + L 46] (WIFA)	1.62

Abra Water Company, Inc.  
Docket No. W-01782A-14-0084  
Test Year Ended December 31, 2012

Post-Hearing Schedule BCA-24

Account No. 320 - Water Treatment Equipment  
Comparison of Last Rate Case Application to General Ledger

	Per Application of Last Rate Case	Difference	Per Co.'s G/L	
12/31/1997		\$ 3,147.82	\$ 3,147.82	FA Adj
12/31/1999		\$ 368.70	\$ 368.70	Deposits
Beg. Balance	\$ 2,569	\$ (3,516.00)	\$ (947.00)	Staff Adjustment
2003	\$ 1	\$ (1.00)	\$ -	
2004	\$ 1,501	\$ 0.41	\$ 1,501.41	Arden Industries/McPhee Environ.
2005	\$ -	\$ -		
2006	\$ 12,348	\$ 0.34	\$ 12,348.34	Arsenic/Chlorinator Pump/
<b>2007</b>	<b>\$ 88,347</b>	<b>\$ 0.21</b>	<b>\$ 88,347.21</b>	<b>Aquacell</b>
2008	\$ 37,938	\$ (17,152.21)	\$ 20,785.79	Aquacell
<b>2008</b>	<b>\$ -</b>	<b>\$ (79,900.00)</b>	<b>\$ (79,900.00)</b>	<b>Reclass to Prepaid Expense</b>
2009	\$ 2,298	\$ (5,158.05)	\$ (2,860.05)	Reclass to Chemical Feeder
	<u>\$ 145,002.00</u>	<u>\$ (102,209.78)</u>	<u>\$ 42,792.22</u>	
<b>2009</b>	<b>\$ -</b>	<b>\$ 102,209.50</b>	<b>\$ 102,209.50</b>	<b>Arsenic Treatment Plant</b>
	<u>\$ 145,002.00</u>	<u>\$ (0.28)</u>	<u>\$ 145,001.72</u>	

Monthly Usage Charge	Present	Company Proposed Rates	Staff Recommended Rates
<b>Meter Size (All Classes):</b>			
5/8 x 3/4 Inch	\$ 14.00	\$ 18.34	\$ 14.00
3/4 Inch	21.00	27.51	21.00
1 Inch	35.00	45.85	35.00
1 1/2 Inch	70.00	91.70	70.00
2 Inch	112.00	146.72	112.00
3 Inch	224.00	293.44	224.00
4 Inch	350.00	458.50	350.00
6 Inch	\$ 700.00	\$ 917.00	\$ 700.00
8 Inch	-	-	-
<b>Commodity Charge - Per 1,000 Gallons</b>			
<b>5/8 x 3/4-Inch Meter</b>			
From 1 to 3,000 gallons	\$ 2.25	\$ 2.54	\$ 2.25
From 3,001 to 10,000 gallons	3.80	4.04	3.80
Over 10,000 gallons	6.00	6.14	6.00
<b>3/4-Inch Meter</b>			
From 1 to 3,000 gallons	2.25	2.54	2.25
From 3,001 to 10,000 gallons	3.80	4.04	3.80
Over 10,000 gallons	6.00	6.14	6.00
<b>1" Meter</b>			
From 1 to 15,000 gallons	3.80	4.04	3.80
Over 15,000 gallons	6.00	6.14	6.00
From 1 to 16,000 gallons	N/A	4.04	N/A
Over 16,000 gallons	N/A	6.14	N/A
<b>1 1/2" Meter</b>			
From 1 to 30,000 gallons	3.80	4.04	3.80
Over 30,000 gallons	6.00	6.14	6.00
<b>2" Meter</b>			
From 1 to 45,000 gallons	3.80	4.04	3.80
Over 45,000 gallons	6.00	6.14	6.00
<b>3" Meter</b>			
From 1 to 90,000 gallons	3.80	4.04	3.80
Over 90,000 gallons	6.00	6.14	6.00
<b>4" Meter</b>			
From 1 to 145,000 gallons	3.80	4.04	3.80
Over 145,000 gallons	6.00	6.14	6.00
<b>6" Meter</b>			
From 1 to 300,000 gallons	3.80	4.04	3.80
Over 300,000 gallons	6.00	6.14	6.00
<b>Standpipe/ Coin Operated</b>			
Per 1000 Gallons	\$ 6.00	\$ 6.25	\$ 6.00
<b>Service Line and Meter Installation Charges</b>			
Establishment	\$ 30.00	\$ 30.00	\$ 30.00
Establishment (After Hours)	\$ 40.00	40.00	N/A
Reconnection (Delinquent)	\$ 50.00	\$ 50.00	\$ 50.00
Reconnection Delinquent (After Hours)	\$ 50.00	\$ 50.00	N/A
Meter Test (If Correct)	\$ 50.00	\$ 50.00	\$ 50.00
Deposit (Residential Meter)	(a)	(a)	(a)
Deposit (Non-Residential Meter)	(a)	N/A	(a)
Deposit Interest	6.00%	6.00%	6.00%
Re-establishment (within 12 months)	(b)	**	(b)
Re-establishment (After hours)	(b)	**	N/A
NSF Check	\$ 25.00	\$ 10.00	\$ 10.00
Deferred Payment (per month)	1.50%	1.50%	1.50%
Late Payment Fee (per month)	1.50%	1.50%	1.50%
Meter Re-read (if correct)	\$ 20.00	\$ 10.00	\$ 10.00
After Hour Service Charge (at customers request)	N/A	N/A	\$ 30.00
Fire Sprinkler (All Meter Sizes)	(c)	N/A	(c)

(a) Residential - two times the average bill. Non-residential - two and one-half times the average bill. R14-2-403(B)(7).

(b) Months of system times the minimum. Per Commission Rule (R14-2-403D)

(c) 2 percent of the monthly minimum for a comparable size meter connection but not less than \$10 per month.

In addition to the collection of regular rates, the utility will collect from its customers a proportionate share of of any privilege, sales, use and franchise tax. R14-2-409(D)(5).

All advances and/or contributions are to include labor, materials, overheads and all applicable taxes. Cost to include labor, materials and parts, overheads and all applicable taxes.

Service Line and Meter Installation Charges	Company Proposed			Staff Recommended		
	Company Current Rates	Service Line Charge	Meter Charge	Total Charge	Service Line Charge	Meter Charge
5/8" x 3/4" Meter	\$ 425	380	\$ 95	\$ 475	380	\$ 95
3/4" Meter	\$ 450	335	\$ 165	\$ 500	335	\$ 165
1" Meter	\$ 500	350	\$ 200	\$ 550	350	\$ 200
1-1/2" Meter	\$ 700	470	\$ 430	\$ 900	470	\$ 430
2" Meter	\$ 1,125	590	\$ 735	\$ 1,325	590	\$ 735
3" Meter	\$ 1,505	660	\$ 1,045	\$ 1,705	660	\$ 1,045
4" Meter	\$ 2,340	910	\$ 1,630	\$ 2,540	910	\$ 1,630
6" Meter	\$ 4,445	1410	\$ 3,235	\$ 4,645	1,410	\$ 3,235

**Typical Bill Analysis**  
Residential 5/8 Inch Meter

Post-Hearing Schedule BCA-26

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,717	\$ 33.80	\$ 39.84	\$ 6.03	17.85%
Median Usage	5,500	28.76	34.48	\$ 5.72	19.87%
<b>Staff Recommended</b>					
Average Usage	5,717	\$ 33.80	\$ 33.80	\$ -	0.00%
Median Usage	5,500	28.76	28.76	\$ -	0.00%

**Present & Proposed Rates (Without Taxes)**  
Residential 5/8 Inch Meter

Gallons	Present	Company Proposed	%	Staff Recommended	%
Consumption	Rates	Rates	Increase	Rates	Increase
-	\$ 14.00	\$ 18.34	31.00%	\$ 14.00	0.00%
1,000	16.25	20.88	28.49%	16.25	0.00%
2,000	18.50	23.42	26.59%	18.50	0.00%
3,000	20.75	25.96	25.11%	20.75	0.00%
4,000	24.55	30.00	22.20%	24.55	0.00%
5,000	28.35	34.04	20.07%	28.35	0.00%
5,109	28.76	34.48	19.87%	28.76	0.00%
6,000	32.15	38.08	18.44%	32.15	0.00%
6,435	33.80	39.84	17.85%	33.80	0.00%
7,000	35.95	42.12	17.16%	35.95	0.00%
8,000	39.75	46.16	16.13%	39.75	0.00%
9,000	43.55	50.20	15.27%	43.55	0.00%
10,000	47.35	54.24	14.55%	47.35	0.00%
11,000	53.35	60.38	13.18%	53.35	0.00%
12,000	59.35	66.52	12.08%	59.35	0.00%
13,000	65.35	72.66	11.19%	65.35	0.00%
14,000	71.35	78.80	10.44%	71.35	0.00%
15,000	77.35	84.94	9.81%	77.35	0.00%
16,000	83.35	91.08	9.27%	83.35	0.00%
17,000	89.35	97.22	8.81%	89.35	0.00%
18,000	95.35	103.36	8.40%	95.35	0.00%
19,000	101.35	109.50	8.04%	101.35	0.00%
20,000	107.35	115.64	7.72%	107.35	0.00%
25,000	137.35	146.34	6.55%	137.35	0.00%
30,000	167.35	177.04	5.79%	167.35	0.00%
35,000	197.35	207.74	5.26%	197.35	0.00%
40,000	227.35	238.44	4.88%	227.35	0.00%
45,000	257.35	269.14	4.58%	257.35	0.00%
50,000	287.35	299.84	4.35%	287.35	0.00%
75,000	437.35	453.34	3.66%	437.35	0.00%
100,000	587.35	606.84	3.32%	587.35	0.00%